VZCZCXYZ0006 PP RUEHWEB

DE RUEHUL #3670/01 2990617
ZNR UUUUU ZZH
P 260617Z OCT 06
FM AMEMBASSY SEOUL
TO RUEHC/SECSTATE WASHDC PRIORITY 0950
INFO RUEHBJ/AMEMBASSY BEIJING 1419
RUEHKO/AMEMBASSY TOKYO 1513
RUEAIIA/CIA WASHINGTON DC
RHMFIUU/COMUSKOREA J5 SEOUL KOR
RHMFIUU/COMUSKOREA SCJS SEOUL KOR
RUEKDIA/DIA WASHINGTON DC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/EAP//
RHHMUNA/USCINCPAC HONOLULU HI

UNCLAS SEOUL 003670

SIPDIS

SIPDIS

E.O. 12958: N/A TAGS: <u>PGOV</u> <u>KS</u>

SUBJECT: OCTOBER 25 BY-ELECTIONS: ANOTHER DEFEAT FOR RULING DARTY

11. (SBU) SUMMARY: In another crushing defeat for the ruling Uri Party, the two National Assembly seats up for grabs in the October 25 by-elections went overwhelmingly to the opposition. To add insult to injury, in Incheon, the Uri Party candidate, a close friend of Uri Chairman Kim Geun-tae, came in third in the election as the minor Democratic Labor Party (DLP) candidate came in second. The election results leave the Uri Party with the most seats in the National Assembly, but little else. As each defeat piles up, the Uri leadership continues to lose standing as the jockeying for party realignment, likely to occur in late December or early January, 2007, intensifies. During this time of heightened tension on the Peninsula, the voter turnout was higher than in recent by-elections. END SUMMARY.

INCHEON ASSEMBLY SEAT-GNP WINS BIG

- 12. (SBU) Long-time political hand Lee Won-bok ran and won in Incheon, known for its history of labor movement and record of poor economic development. He replaced a Uri Party lawmaker who lost his seat after being convicted of illegal fundraising. Lee garnered 57.7 percent of the vote compared with 18.5 percent for the DLP candidate. The Uri candidate, a former Blue House aide and long time colleague and friend of Uri Chairman Kim Geun-tae, Park Woo-sup, came in a distant third with 12.3 percent of the vote.
- 13. (SBU) According to Uri lawmaker Yum Dong-yun, who took time from his campaigning to talk with poloff in Park's campaign office on October 24, while victory was never expected in the race, Kim Geun-tae's gaffe on October 20 in Kaesong sealed candidate Park's fate. Candidate Park Woo-sup told poloff that while he knew there was not a strong chance for winning the seat, it was up to him to work to get the best result for the party. On October 24, he said that through personal efforts, he hoped to make the race competitive. His efforts were not enough and in fact many attributed his personal relationship to Kim as a contributing factor in the embarrassing loss.
- 14. (SBU) On October 24, there were several Uri lawmakers in Incheon stumping for Park and Park himself was hoarse from his efforts. He told poloff he was committed to campaign till midnight, when the campaign period officially ended. Contrasting with the hopeless mood in the Uri camp, upon visiting the GNP candidate on October 24, poloff found an entirely different atmosphere. GNP Chairman Kang Jae-sup came to Incheon and Kang, candidate Lee and several other GNP

officials campaigned until 6pm and then decided to call it a day and dine together to celebrate. In several campaign speeches poloff heard, Lee made the expected pledges to do his best, while Kang struck a stronger stance, asking voters to "strike out at President Roh" with their vote for Lee on October 25.

15. (SBU) Lee will likely take his seat in the Assembly on November 2 or 3 and he told poloff on October 26 that his victory showed that the people of Incheon felt that the Roh government had "no answers" to the various economic ills they faced. He added that the through the cabinet reshuffle the Roh government should take full responsibility for its failures and change policy, not just the people who make the policy.

HAENAM-JINDO: DEMOCRATIC PARTY STRONG

- 16. (SBU) In Haenam and Jindo, where the former incumbent was kicked out for illegal wiretapping, the opposition Democratic Party (DP) candidate Choi Il-byung, a professor at Daebul University in Mokpo, beat the Uri Party candidate by a large margin with 62.5 percent of the vote. Leading Uri Party lawmaker Choi Jae-cheon who hails from Haenam and was in the region campaigning on October 24 told poloff that the result was expected and that to keep the DP from attacking the Uri Party in the coming months, many in the Uri Party were pushing to make a quick move to join with the DP. The Uri Party held an emergency breakfast meeting on October 26 to discuss such a move.
- 17. (SBU) DP's Deputy Chair Shin Joong-shik told poloff on October 26 that the convincing Assembly victory coupled with

the first non-Jeolla victory in Seoul in the July 26 by-election meant that DP was "on the rise" and that Uri was "about to collapse." He said that political party restructuring would occur in December and the merger should be with DP as the lead partner since they had a convincing base in the Jeolla Provinces and also a foothold in Seoul. The newly elected Choi echoed Shin's remarks and told poloff on October 26 that his victory showed that the DP would be capable of leading the way in any realignment and the DP was a true national party.

COMMENT

- _____
- 18. (SBU) The Roh government and the ruling Uri Party are reeling from non-stop electoral defeats and there is no end in sight. The results of this by-election mean that the DP should be able to dictate more of the terms of the likely merger with the Uri Party. At this point, after five straight by-election defeats, the Uri Party can not claim strong support anywhere in Korea while the DP has solidified its hold over the southwest Jeolla region. That said, Uri leadership knows they have dwindling support but will work to play their 141 seats in the Assembly to their advantage.
- 19. (SBU) The October 25 by-elections will further embolden the opposition GNP in the National Assembly. On foreign policy, Roh's candidates to replace FM Ban Ki-moon, DefMin Yoon Kwang-oong and Unification Minister Lee Jong-seok will face stronger resistance in the National Assembly hearings, which is why the Blue House will probably end up naming tested bureaucrats to some of these posts.